

SENATE INQUIRY

Issues effecting participation of Rural Students in Higher Education

To the Senate Rural and Regional Affairs and Transport Committee

From

The Mid Murray Higher Education Working Party

Professor Margaret Alston from Charles Sturt University in NSW recently commented in the Brisbane Courier Mail “that a whole generation of young adults from regional communities is missing out on education and training. She and others are talking about the silent tragedies in Australia”

1. Introduction

The Mid-Murray Higher Education Working Party (‘Working Party’) is a partnership between five contiguous Local Government Areas from NSW and Victoria (Swan Hill Rural City Council, Shire of Gannawarra, Buloke Shire, Shire of Balranald and the Wakool Shire) representing a population base of some 50,000 people.

The Working Party’s was established in July 2004 and its terms of reference were to;

- To undertake an audit of tertiary courses and subjects provided across the region.
- To undertake extensive discussions with a range of existing and potential tertiary education providers about the steps required to improve access to tertiary education opportunities in the region.
- To liaise closely with the regional secondary education providers about the issues associated with the lack of provision of tertiary pathways in the region for their students.
- To liaise closely with industry in establishing the needs of regional industry and business in regards to the up-skilling of employees.
- To develop a model which would address the issues and barriers raised above.

The Working Party’s objective was to develop options to meet identified demand in the region for flexible university study modes. The concept was always that the delivery of higher education should be demand driven. The underlying issue that needed to be addressed is that, while the population of the Mid-Murray region is not sufficiently large to warrant a university campus of its own, it is too large and distant from existing providers not to offer some means of access to higher education study.

Response to Terms of Reference:

The communities of the Mid Murray region have identified financial and geographical disadvantage as an obstacle to the participation of many young people in higher education. An initial scoping study (Webb 2005) confirmed issues such as high deferral rates amongst young school leavers, significant up-skilling requirements of industry in the region and strong acceptance (51%) of a higher education community-based “blended” model by students in years 11 and 12 at secondary schools in the region.

Economic and social disadvantage

Economic and social disadvantage is a significant challenge to the communities in the Mid Murray region. The Federal seat of Mallee is one of the most poverty stricken Electorates in Victoria with 13.9% living in poverty.

The Student Family Occupation (SFO Index) shown in table 1 is the main indicator used by the Victorian Department of Education and Early Childhood Development (DEECD) to classify schools and regions with students at most risk of disengaging from education. The MMLLEN region which covers vast tracks of the “Working Party’s” territory has the 3rd highest SFO rating in Victoria.

Table 1: 2007 SFO Index Source: DEECD

LLLEN Region	SFO 10-12 (D &N)	Total students	% of “at risk”
Brimbank/Melton	2844	4744	60%
Hume/Whittlesea	3073	5719	53.7%
Murray Mallee	380	715	53.1%
Campaspe/Cohuna	547	1251	43.7%
Northern Mallee	532	1615	32.9%
North Central	167	518	32.2%
Wimmera	285	1042	27.4%

Note: Category D indicates parents employed in unskilled occupations and category N indicates unemployed status.

The above table does not take into the effect of drought which has severely affected the Mid Murray region over the last 5 years.

Professor Tony Vinson’s report “Dropping off the edge” highlighted 5 communities in the top 40 in Victoria within the catchment of Swan Hill.

Webb (2005) highlights that **30%** of families in the Mallee Electorate would need to use **50%** of their disposable income to send just one student to a tertiary institute in Melbourne.

Table 2: Weekly income of families with children by family type, Northwest region, ABS - 2001.

	Couples with children	Couples with children	One parent families	One parent families
SLA name	% Less than \$500 per week	\$500 to \$999 per week	Less than \$500 per week	\$500 to \$999 per week
Buloke (S) - North	16.7%	36.2%	52.0%	24.0%
Gannawarra (S)	10.6%	39.0%	50.8%	29.2%
Swan Hill (RC) - Central	8.4%	36.8%	49.5%	27.8%
Swan Hill (RC) - Robinvale	18.5%	29.2%	49.6%	30.4%
Swan Hill (RC) - Balance	9.2%	39.1%	54.9%	27.7%
Wakool (A)	11.8%	38.2%	54.5%	27.3%
Balranald (A)	12.4%	34.5%	39.8%	25.5%
Northwest region	10.6%	35.7%	49.5%	29.1%
Met Melbourne	6%	22.8%	35.9%	31.7%
Balance Victoria	8.1%	32.2%	48%	29.3%
Australia	7.0%	25.5%	42.6%	30.3%

Table 2 above shows that compounding the disadvantage of young people in the region is the disproportionately high numbers of single parent families in comparison to regional Victoria and to the rest of Australia.

Birrell and Edwards in their 2006 paper entitled “Analysis of socioeconomic indicators of the North West Victoria and South West New South Wales” found that there were high concentrations of people employed in low-paid low-skilled occupations, while numbers in higher paid occupations were small.

The Educational Foundation of Australia says “Disadvantage encompasses a range of economic, cultural and political exclusions that influence and are influenced by educational achievement. In Australia disadvantage is on the rise as poverty rates increase, including those of school aged children, and as educational achievement becomes more strongly shaped by socio economic factors. There is more evidence that educational achievement by socioeconomic status or social background as being measured by parents occupation”

Cultural - Koorie Population

According to the 2001 ABS Census the Koorie population in the Murray Valley region is 1,946 being 8% of the Victorian Koorie population.

The dilemma in the area of training and education is evident within the Koorie community, highlighted by the statistics within the Swan Hill Rural City, the area of greatest concentration of the Koorie population in the region found in table 3 below;

		% Attending Education
Indigenous	Males age 5 - 14	83%
	Females age 5 - 14	88%
Non Indigenous	Males age 5 - 14	94%
	Females age 5 - 14	95%
Indigenous	Males age 15 - 19	29%
	Females age 15 - 19	59%

The attendance of indigenous children between ages 5 and 14 are lower but comparable with the non indigenous community, the numbers of indigenous students still in education after 15 are significantly lower in the Swan Hill region when compared with the State average of 41%.

The Swan Hill region has the second highest rate of teenage pregnancies in Victoria (9.8%) of which the rate of indigenous teenage pregnancies in this age group is 63% compared to the State average of 2.9%.

Migrant Population

The Victorian Governments Regional Skills Migration Scheme (RMIF) has been implemented in the Swan Hill region over the last 3 years. In addition to this there is a significant and growing refugee population from Sudan and Afghanistan. In 2006, 30 migrant young people were enrolled in schools/TAFE in Swan Hill. The enrolments in 2008 had grown to 168. The high level of aspiration held by these people towards education and training will mean significant demand for higher education courses in the region, particularly for skilled migrant families. The continuing success of the RMIF scheme may well depend on the regions ability to deliver these courses into the future.

Enrolments into Victorian Universities

The region has experience an alarming drop off of enrolments into Victorian Universities from 2002-2007. Table 4 below from the Murray Mallee LLEN - LCP 2007 Environmental scan highlights a 76% drop in enrolments from 2002-2007 by students in the MMLLEN – LCP region.

Table 4: Enrolments in Victorian Universities 2002 – 2007 MMLLEN – LCP region				
<i>University</i>	2002	2003	2004	2007
Australian Catholic University	4	7	5	2
Deakin University	14	16	15	4
La Trobe University	105	88	47	23
Monash University	9	7	6	5
RMIT University	14	7	5	2
Swinburne Uni of Technology	9	9	6	2
University of Ballarat	31	23	11	10
University of Melbourne	27	20	14	4
Victoria University	6	8	1	0
Total	218	185	110	52

The “Working Party” is particularly concerned that the low number of tertiary trained people in the region is effecting the aspirations of young people through the lack of educational role models in the Mid Murray region; a significant adult in their life with the ability to inspire and set an example of the benefits of positive behavior is essential to maintaining a vibrant and socially inclusive community . Compounding this situation is that many parents whose own educational experiences are limited are much less likely than those with higher achievements to give encouragement to or be a role model to their children when it comes to the pursuit of higher education.

The “Working Party” also believes that Secondary schools in the region are also reluctant to recommend TAFE courses as a well credentialed pathway to university for those who originally fail to gain a sufficient ENTER score. This situation is improving, but more work needs to be done in this area. The development and promotion of articulated Higher Education courses will assist better awareness of flexible options for not only young people, but also for up-skilling opportunities.

Table 5: below shows the participation rates of 18 year olds by region in 2006 at University

Region	% 18 YEAR OLDS
Melbourne	51%
Loddon	36%
Central Highlands	33%
Wimmera	29%
Western District	27%
Goulburn	26%
Mallee	23%
Region	29%

Source: Ballarat University presentation David Battersby (Vice Chancellor)

Table 5 above highlights the disparity in participation rates across the regions of Victoria. It can be clearly seen that Mallee has the lowest regional rate of participation by some 3% and compared to Metropolitan Melbourne the difference is 28%.

On – Track Data

Table 6: On -Track data for the MMLLEN region students completing schooling in 2005

	University	VET course	Apprentice or Trainee	Full time work	Un (or under) employed
Percentage of respondents					
Year 12 Completers					
Average Victoria	43	23	10	8	15
Murray Mallee	39	22	14	8	18
Early School Leavers					
Average Victoria	N/A	20	38	13	29
Murray Mallee	N/A	16	33	16	35

The On – Track data for 2005 shown above (table 6) shows that the uptake of apprenticeships and traineeships is above the State average, but higher rates of both Year 12 completers and early schools completers in the MMLLEN region are either under employed or unemployed compared to the rest of the state.

University destinations are 4 % less than the State average and VET participation is comparable to the rest of Victoria.

Table 7 below represents the On – Track data for those students leaving school in the MMLLEN region in 2006. Key points to note is the increase in disparity in university participation rates, the drop of students looking to undertake VET courses and apprenticeships and traineeships increased significantly in 2006 by 6%.

Table 7: On -Track data for the MMLLEN region students completing in 2006					
	University	VET course	Apprentice or Trainee	Full time work	Un (or under) employed
Year 12 Completers					
Average Victoria (%)	47.4	19	8.1	10	15.5
Murray Mallee	41	9.6	20.2	12.2	17.1
Early School Leavers					
Average Victoria (%)	N/A	15.4	36.2	17.4	31
Murray Mallee	N/A	7.4	55.6	11.1	25.9

Agriculture is the largest employer in the Mid Murray region which has recently seen a significant shift from small scale to large scale operations due to changes in water policy. The introduction of large corporate investors has seen less need for labour intensive skills in the region and for more up-skilling requirements. It can be concluded that the above change in farming practice may well lead to more disadvantage in the region as low skilled jobs are replaced by more highly skilled jobs leaving many more of the regions people unemployed or underemployed.

The large scale investment, particularly the expansion of irrigated horticulture, has produced the need for new infrastructure and the establishment of significant service industries, such as engineering, manufacturing and business related services.

The future regional workforce will require significant levels of up-skilling to maintain the region’s long term economic competitiveness.

In a presentation by the Victorian Minister for Skills and Employment, the Hon Jacinta Allan and ANZ Bank’s Chief Economist Saul Eslake, noted that employment prospects improve with increasing levels of educational attainment. In fact, On –Track research indicates that early school leavers are twice as likely to experience “bundles” of long term unemployment than those that complete year 12 or its equivalent.

Eslake in his presentation noted that the unemployment rate of university graduates is more than one third lower than that of people with non tertiary post school qualifications. Early school leavers earn 20% less than those completing secondary schooling, who earn 20% less than those completing vocational education, who in-turn earn about 40% less than university graduates.

The “Working Party” is concerned of a growing evidence that young people in the region are not aspiring to acheiving high levels of academic success. Table 8 below looks at the DUX scores of 3 schools situated in the MMLLEN region.

Table 8: DUX of 3 Schools MMLLEN 96-07

School	96	97	98	99	00	01	02	03	04	05	06	07
X	95.85	99.8	96.6	99.3	95.9	99.45	98.3	97.3	99.25	90.7	91.95	87.35
Y	NA	NA	99.05	95.2	96	95.45	98.45	90.95	94.4	89.2	96.2	95.9
Z	Z	NA	NA	NA	NA	96.2	87.6	NA	NA	96.8	NA	83.05

Table 9: VETiS enrolments and the % of students applying to VTAC for a tertiary placement from 2003 – 2007 in the MMLLEN region.

School	03	04	05	06	07
A VET iS	175	235	233	253	290
% Tertiary Apply	80 %	92%	78%	75%	76%
B VET iS	88	92	65	89	103
% Tertiary Apply	93%	92%	97%	87%	89%
C VET iS	38	33	33	25	41
% Tertiary Apply	91%	77%	89%	88%	68%
D VET iS	30	37	40	50	30
% Tertiary Apply	71%	81%	77%	48%	58%
E VET iS	27	45	32	15	18
% Tertiary Apply	100%	83%	89%	74%	100%
F VET iS	11	25	64	54	69
% Tertiary Apply	48%	62%	77%	52%	56%

Table 9 above clearly shows the increase of VETiS enrolments in the MMLLEN region from 2003-2007. It should be noted the decline in the percentage of students applying to VTAC for a tertiary placement. There could be many reasons for this, but the effect of drought maybe a significant contributing factor as is the realisation that a tertiary course maybe beyond the financial means of families within the region.

Table 10: Enrolments of VETiS students in the MMLLEN –LCP region in 2006

Schools								
Vet Course	Kerang THS	MacKillop College	Manang P-12	Robinvale College	Swan Hill College	Swan Hill Special School	Tyrrell College	Total Enrolments
Ag / Hort		1		9	25	5	4	44
Automotive	5	18	1	15	70	1		110
Business	4		2		24	1		31
Comm Serv				13	22			35
Engineering	19	14	1		42		8	84
Furnishings					22			22
Equine Studies					2			2
Hospitality		13			33	12		58
Info Tech					20		8	28
Music		11			28			39
Retail					24			24
Sport & Rec		46			14			60
TOTAL	28	103	4	37	326	19	20	537

Analysis of the data in table 10 suggests an increase in enrolments in VETiS in skill shortage areas, but enrolment does not reflect up take of career pathway by some students with serious skill shortages in most traditional trade areas in the region. Many students undertake VETiS courses for life skills, interest etc with many schools using VETiS as a re-engagement and retention strategy for a number of students who find VCE pathways too difficult.

For whatever reason this considerable proportion of young people who become disengaged during their school years achieve only minimal educational outcomes and are not able to contribute to overcoming skill shortages in the local Victorian or national economy. Thus they become a wasted potential resource.

Independent Youth Allowance

The 2004 Senate Inquiry into Student Income Support found a clear correlation between regional participation in post-secondary education and student's ability to survive. Research by Alston and Kent in 2006 confirms that Youth Allowance eligibility criteria are a barrier for access to tertiary education.

Thousands of young people are forced to defer tertiary education studies for one or two years to complete work force participation to be eligible for the Independent Youth Allowance and there is much literature about that after deferring, regional young people may never return to study due to financial insecurity and disengagement from education.

A longitudinal study of On – Track data reveals that of a sample of 224 students who deferred in 2004 in Victoria, 28% were not in study or training in 2005 and 16% of these students did not return to study in 2006.

Challenges Faced by Rural Victorian Young People

- Rural young people do not have the option to obtain a university degree or further education while **living** at home
- Geographical distances faced by rural communities in the northern part of the Loddon Mallee to university access vary from 100 kilometres to the nearest regional university (with limited course offering) to 680 kilometres to the nearest metropolitan university
- Many rural communities do not have daily public transport to the nearest regional centre and have no public transport on weekends
- It is estimated to cost families approximately \$15,000 - \$20,000 per year per student (for the duration of the course) to relocate and maintain acceptable living standards for a young person in metropolitan and larger regional centres attending university, training or job seeking
- Socio-economic status (SES), which is based on a socio-economic index for addresses (SEIFA), shows significant differences between the rural and metropolitan population of deferrers (On-Track 2007). Deferrers in the broader population are evenly dispersed across the four SES categories, yet the rural sample is heavily concentrated in the two lowest SES categories, with 44.8% of the group in the lowest SES quartile ('Deferring a University Offer in Regional Victoria' University of Melbourne)
- Rural communities in the northern part of the Loddon Mallee region have been 'drought declared' for up to nine years and the average cropping farm income has reduced by 30% (ABARE data: www.abare.gov.au)
- The current youth unemployment rate across Loddon Mallee communities varies from 13 to 19%

The current proposed changes by the Federal Government to the Youth Allowance have again highlighted the historical challenges that rural young people face in seeking to transition onto further education, training and employment.

The 2006 *Parliamentary Inquiry into Retaining Young People in Rural Towns and Communities* heard "substantial evidence... regarding the relative disadvantage of young rural people required to move away from home for University education" (p.203).

Impacts of Proposed Changes to Youth Allowance on Young People in Rural Victoria

- In 2007, 15.7% of regional Victorian school completers deferred a place at university, two and a half times the rate of deferral found amongst metropolitan students. Moreover, cost-related factors and financial barriers are prominent in the reasons given by these young people for deferring a place at university ('Deferring a University Offer in Regional Victoria' University of Melbourne)
- Current deferring students in Victoria made a choice based on three years of Managed Individual Pathways Planning (as supported by DEECD) on an existing set of Youth Allowance criteria and an evaluation of family circumstances. The proposed changes impact on these plans and may result in many rural young people not proceeding to university.
- The Relocation Scholarship is contingent on receiving Youth Allowance and it pays less than the former Commonwealth Accommodation Scholarship which provided \$4,415 per year (\$17,660 for the duration of a four-year degree) and which was not contingent on receiving Youth Allowance. The Relocation Scholarship provides \$10,660 less, for the same period.
- From 1st January 2010 the workforce participation criteria for independence will be limited to having worked for at least 30 hours per week for at least 18 months during a 2 year period, presenting what will be an insurmountable challenge for many rural young people. Employment is not available in many small communities and the cost of relocation will ensure many young people are not able to obtain employment. Previously many young people met the benchmark earnings by working hard and long in seasonal employment settings in rural communities to assist in supporting their independence and university aspirations.
- Rural young people do not have the option to obtain a university degree or further education while living at home.

RECOMMENDATIONS TO THE SENATE INQUIRY

Strategy 1. The Establishment of the Central Murray Universities Centre:

The Working Party has developed a flexible model - referred to as the Central Murray Universities Centre (CMUC) - to meet the needs and circumstances of the region as outlined above. This model is based on the model successfully running in Geraldton in Western Australia.

Core elements of the model include flexible support and delivery arrangements, including for students engaged in placements or external studies; a requirement for sufficient demand for programs to be viable; a partnership arrangement with a preferred university; collaborative use of existing infrastructure avoiding capital outlays; pathways and partnerships with TAFE and support for research, including industry partnerships.

The programs would include:

- undergraduate and post graduate courses, providing full and part Degree programs based on demand and viability.
- first year transfer courses.
- pathways and partnerships with TAFE, secondary and private providers.
- research and post graduate projects across the region, including partnerships with industry, research and other relevant agencies.
- support services for students engaged in practicum placements or enrolled in external studies.

The Central Murray Universities Centre would:

- be managed by a Facilitator. It is likely that the Facilitator would be the staff complement for the initial year. Once the Universities Centre is self sufficient on an ongoing basis, sufficient staff would be engaged to provide management services and administrative support for the students.
- function as an information resource to assist the enrolment of students in courses delivered into the region by the partner university.
- be based around a “shopfront” presence within Swan Hill in the first instance, but it is recommended that a relationship be investigated with the Kerang Learning Centre to provide a presence in Kerang.
- be funded to operate on an ongoing basis and provide resources to the partner university to deliver the programs. The partner university would seek an allocation of federally funded university places, specifically to be delivered into the region.
- provide a significant stimulus to support the economic development of the region.
- help coordinate and facilitate research activities within the region that have already been identified through the Swan Hill Region Research Prospectus. The CMUC would also link with other initiatives that are already established such as the Birchip Cropping Group and any future CRC opportunities that may develop within the region.

The primary focus of the Universities Centre should be to provide access to university programs in a flexible way for an identified need and demand.

The model would be based on an ongoing assessment of priority courses and demand across the region, from which programs would be delivered.

A partnership arrangement should be developed with a preferred university, which will have primary responsibility to deliver the required courses. The relationship should be underpinned with a memorandum of agreement which would ensure the university either delivered the required courses or accessed them from another university, if the course was not within their course profile.

A significant focus of the model will be the delivery of programs which have direct relevance to needs or opportunities within the region.

Recommendation 1. The Mid Murray Higher Education Working Party would request that the Senate recommend that this model be considered in Swan Hill with the possibility of replicating in other communities such as, Wangaratta and Seymour.

Recommendation 2. That the Federal Government gives consideration to the “seed funding” of \$200,000 per annum for 3 years for the costs of a facilitator position and shop front in Swan Hill.

Recommendation 3. That the Senate Inquiry recommend that the Commonwealth of Australia provide Higher Education (EFT) places to be allocated to the Central Murray region in the areas of accountancy, nursing and education.

Recommendation 4. That all regional students in defined rural locations be eligible for Independent Youth allowance irrespective of ant means testing criteria.